



St. Paul Parish ANNUAL FINANCIAL REPORT

October 2024

My dear friends in Christ,

As I enter into my ninth year as your pastor at St. Paul Parish, I am as filled with hope and enthusiasm for our continued growth in our Gospel mission today as I was when I arrived in Wellesley nine years ago. As I reflect on where we are today, I think about our recent Collaborative Outdoor Mass, concelebrated by all five of the priests of the Collaborative, assisted by our deacon, our pastoral team, and a crew of young servers. We actually needed to get a bigger stage for the altar this year!

The music of the Mass was provided by members of all our choirs and music groups, who came together to sing under the direction of our new Collaborative Director of Music, William Endicott. Williams's talent and energy are enhancing all of our choirs, and his welcoming presence is nurturing the excitement of the young singers in our new Children's Choir. Singing in the choir allows our children to participate more fully in the liturgy, and William's holistic approach, with child, teen, and adult choirs, creates a path for their continued growth both in music and faith, strengthening their connection to our parish and the Church.

I also think about the great news we received in August, when Fr. Gabriel was appointed to serve as our Parochial Vicar. His infectious joy and dedication to the priesthood, combined with his more than ten years' experience as a pastor in Cameroon, make him a tremendous asset to me in ministering to and managing such a large and active collaborative. Fr. Gabriel and our two Scholar Priests in Residence, Fr. Lesley and Fr. James, bring not only life to our St. Paul Rectory, but a beautiful diversity of history, culture, and perspective to our liturgies and our parishes. Their presence allowed us to add a 7:30am Mass to our Sunday schedule, and has strengthened our ability to minister to the community and respond quickly with the sacraments for the sick and dying. When students from Wellesley College approached Kelly Meraw, our Director of Pastoral Care and Liturgy, for help because Sunday Mass was no longer offered on campus, Kelly and Sr. Colleen Gibson, our Pastoral Care Coordinator, were able not only to schedule weekly Confessions and Sunday Mass for these young Catholic women living in our collaborative, but also to build a relationship with the students to provide ongoing pastoral care and leadership.

I think about the investments and upgrades we've been able to make to our parish facilities. In addition to completing the work to repair the church's bell tower and bell mechanism, we replaced the front stairs with new granite steps, enhancing the beauty and safety of the main entrance, and repaired the masonry at the side entrances. Inside, we replaced the carpeting around the altar and in the sacristy and chapel, and replaced all of the chandelier lightbulbs with new LED bulbs. Finally, we completed a long-awaited upgrade to our sound system, with new components and new speakers for enhanced sound quality.

As I look with excitement to our future, I am so grateful for your incredible dedication and financial generosity to St. Paul Parish. At the same time, I recognize the ongoing financial challenges that come with a large and vibrant parish, especially in these times of rising costs. Our 2024-2025 balanced budget assumes growth in donations to cover these expenses, so as you plan for the year ahead, I ask that you prayerfully consider what you are able to give to support St. Paul Parish and its ministries.

It is my privilege not only to be your pastor, but to be a member of this community of faith!

With love and gratitude in Christ,

Reverend James J. Laughlin, Pastor

Notes to the Annual Financial Report for the Fiscal Year Ended June 30, 2024

STATEMENTS OF CHANGES IN NET ASSETS *(actual results for the fiscal years ended June 30, 2023 and 2024, and budgets for the fiscal years ending June 30, 2024 and 2025)*

- **For the fiscal year ended June 30, 2024**, the Parish reported an Operating Surplus of \$50,864, primarily due to a 20% increase in Total Giving for Operations. While Total Operating Expenses rose by 7%, its sum was \$21,221 less than budgeted. The Parish received income from the St. Paul School building lease totaling \$281,915, which is a component of Non-operating Revenue and Expenses, and contributes to the Total Change in Net Assets of \$139,791.
- **Operating Revenue** grew from \$882,036 in fiscal 2023 to \$1,038,501 in fiscal 2024, mainly due to the \$158,630 increase in Total Giving for Operations. Included in the Gifts and Donations line were two bequests totaling \$92,383. The Parish's Catholic Appeal Rebate decreased by \$12,715, which was partially offset by an \$8,973 increase in Interest Income.
- **Operating Expenses** increased by \$60,698, from \$926,939 in fiscal 2023 to \$987,637 in fiscal 2024. The largest increase was \$23,851 for Salary and Benefits, which includes both lay employees, as well as clergy and religious personnel. Property Maintenance grew by \$17,578 and included spending on church lighting and door mats and a new Hall awning. The parish expanded its spending on Music and Liturgical and Religious Education programs, and Rectory and Household costs increased due to having two scholar priests in residence.
- **Net Assets Released from Restrictions** reflects the use of donor restricted funds for their intended purpose, and is shown as an increase in Net Assets without Donor Restrictions and as a corresponding decrease in Net Assets with Donor Restrictions.
- **Capital Expenditures** of \$229,879 include the final Bell Tower renovation costs of \$74,389, which were partially offset by **Restricted Capital Gifts for Capital Use** of \$42,777. The parish spent \$111,000 to replace the church's front steps with new granite stairs and to repair other exterior stairs' masonry and cement walkways. The remaining dollars were spent on church upgrades: new sound system speakers, new carpeting, wood trim replacement and painting, and roof repair.
- The **FY2025 Budget** projects a Total Change in Net Assets of \$22,605. Fiscal 2025 Operating Revenue is projected to grow by \$42,039 and Operating Expenses are budgeted to increase by \$56,539. Capital Expenditures of \$115,000 are planned for capital repairs for the parish's facilities, including new HVAC mini split units for the rectory.

STATEMENTS OF FINANCIAL POSITION *(as of June 30, 2023 and 2024)*

- **Cash & Cash Equivalents** grew by \$126,147, which is in line with the parish's Total Change in Net Assets of \$139,791.
- **Long-term Security Deposit** of \$55,923 in the Assets grouping represents the security deposit paid by Star Academy, plus related interest, in accordance with the terms of the St. Paul School lease. The corresponding **Deposit** of \$54,611 in the Liabilities grouping is the amount, less any damage charges, that must be repaid to Star Academy in 17 years upon lease termination.

As required by the Archdiocese of Boston, the unaudited financial statements have been prepared using a basis of accounting that is not in accordance with generally accepted accounting principles; the property, plant and equipment of the Parish are not reported in the Parish's Statements of Financial Position, and improvements and repairs are expensed when incurred. This has been done over the years to more accurately reflect the annual cash costs to maintain and upkeep the property and facilities in the Parish.

Parish financial staff maintains the books and records of St. Paul Parish and prepared the accompanying Financial Statements and Notes. The St. Paul Parish Finance Council met quarterly during the fiscal year to provide advice and counsel to the Pastor, including review of financial results, development of the budget, monitoring the progress of capital projects, and cash management.

ST. PAUL PARISH
Statements of Changes in Net Assets
for the years ended June 30

	<u>2023 Actual</u>	<u>2024 Budget</u>	<u>2024 Actual</u>	<u>2025 Budget</u>
Net Assets without Donor Restrictions:				
Operating Revenue				
Giving for Operations				
Weekly Offertory	\$ 424,298	\$ 470,000	\$ 430,212	\$ 440,000
Annual Appeal	253,302	275,000	286,765	275,000
Gifts and Donations	102,348	60,000	221,601	106,579
Total Giving for Operations	<u>779,948</u>	<u>805,000</u>	<u>938,578</u>	<u>821,579</u>
Sacramental Offerings	15,435	12,400	13,592	12,400
Religious Education	24,650	30,000	27,945	34,500
Catholic Appeal Rebate	56,482	34,140	43,767	37,600
Interest Income	4,134	2,500	13,107	22,000
Miscellaneous Revenue	1,387	5,250	1,512	3,250
Total Operating Revenue	<u>882,036</u>	<u>889,290</u>	<u>1,038,501</u>	<u>931,329</u>
Operating Expenses				
Salary and Benefits Expense	620,738	663,798	644,589	710,039
Administrative Expenses	39,932	51,050	36,889	49,350
Music and Liturgical	15,142	19,050	20,232	21,285
Religious Education	10,927	14,610	17,753	20,550
Rectory and Household	4,612	17,000	10,402	17,000
Property Maintenance	159,289	166,836	176,867	172,729
Parish & School Tithes	74,141	74,014	74,014	70,894
Miscellaneous Expense	6,724	2,500	12,777	3,550
Net assets released from restrictions	(4,566)	-	(5,886)	-
Total Operating Expenses	<u>926,939</u>	<u>1,008,858</u>	<u>987,637</u>	<u>1,065,397</u>
Operating Surplus/(Deficit) before Non-operating Items	<u>(44,903)</u>	<u>(119,568)</u>	<u>50,864</u>	<u>(134,068)</u>
Non-operating Revenue and Expenses				
Lease Income, net	291,886	281,915	281,915	271,673
Capital Expenditures	(423,716)	(129,494)	(229,879)	(115,000)
Net assets released from restrictions	206,850	-	42,777	-
Net Surplus/(Deficit) in Assets without Donor Restrictions	<u>30,117</u>	<u>32,853</u>	<u>145,677</u>	<u>22,605</u>
Net Assets with Donor Restrictions:				
Restricted Gifts for Capital Use	181,540		42,777	
Net assets released from restrictions	(211,416)		(48,663)	
Net Surplus/(Deficit) in Assets with Donor Restrictions	<u>(29,876)</u>	<u>-</u>	<u>(5,886)</u>	<u>-</u>
Total Change in Net Assets	<u>\$ 241</u>	<u>\$ 32,853</u>	<u>\$ 139,791</u>	<u>\$ 22,605</u>

Certain prior year amounts have been reclassified to conform to current year presentation.

ST. PAUL PARISH
Statements of Financial Position
as of June 30

	Jun 30, 2023	Jun 30, 2024
ASSETS		
Cash & Cash Equivalents	\$ 882,832	\$ 1,008,979
Accounts Receivable	2,264	40,983
Long-term Security Deposit	55,365	55,923
TOTAL ASSETS	\$940,461	\$1,105,885
 LIABILITIES & NET ASSETS		
Liabilities		
Accounts Payable & Other Current Liabilities	\$60,089	\$85,722
Deposits	54,611	54,611
Total Liabilities	114,700	140,333
Net Assets		
Net Assets without Donor Restrictions	804,295	949,972
Net Assets with Donor Restrictions	21,466	15,580
Total Net Assets	825,761	965,552
TOTAL LIABILITIES & NET ASSETS	\$940,461	\$1,105,885